

a Canadian seaway from the Atlantic to Lake Erie under Canadian ownership, operation, and control. The Canadian Parliament has created a Seaway Authority with full power to complete the development under either alternative, and has authorized this agency to issue bonds to finance construction of the works. More recently, Canada has announced that it was ready to proceed with the development of the International Rapids section on the Canadian side of the river, if we delay further in making this waterway a joint enterprise.

The question, therefore, is not whether such a seaway should be made available, but whether it is desirable that it should be owned and controlled entirely by Canada, with no voice on the part of the United States in the operation of the waterway and in the tolls to be charged. Considering that by far the greater part of the shipments through this waterway will be for our industries, there is but one answer to the question. It would be highly undesirable to leave any part of the welfare of our great industries to the sole determination of a foreign power, no matter how friendly our relations have been, are, and will continue to be.

2. Since the Department of the Interior is not seeking to become the marketing agency for the power to be generated on the St. Lawrence River, our views herein are limited to the general need for power in the area.

The International Rapids section provides a site for one of the largest low-cost hydroelectric power developments on the continent. Since the Great Lakes constitute a natural reservoir for the St. Lawrence River, an extremely steady flow results. The large and steady flow, combined with the fact that the river drops 46 feet within a distance of 10 miles, can be harnessed to create new installed capacity of 1,880,000 kilowatts capable of producing an annual average of 12.6 billion kilowatts hours of energy. The generating capacity and the output of the project would be divided equally between the two countries.

Whether the power project is constructed by the State of New York or by the Federal Government, there can be no doubt as to the great need for the low-cost power that can be produced.

This low-cost power would find an ample market in New York State and New England as soon as it can be made available, as shown by studies of the Federal Power Commission. It appears certain that the output of St. Lawrence power would be absorbed as rapidly as generating units could be